

# CalSTRS

Investment Committee  
Monthly Status Report  
For

## CREDIT ENHANCEMENT



## Monthly Status Report

Investment Committee – July 9, 2003

CalSTRS underwrote two new credit enhancement transactions:

(1) CalSTRS underwrote a confirming letter of credit in support of a new \$5.6 million bond issue for the California Pollution Control Financing Authority for Placer County Eastern Regional Sanitary Landfill, Inc. Project. CalSTRS will be backing a California-based bank, and CalSTRS will be in the second bss position. Bond proceeds will be used to finance the expansion and renovation of the materials recovery facility, acquire waste collection vehicles and above-ground fuel tanks. The project is located in Truckee, California. The credit enhancement commitment commenced in June.

(2) CalSTRS underwrote a letter of credit for the \$92.5 million Irvine Unified School District Community Facilities District No. 01-1 Adjustable Rate Special Tax Bonds. The letter of credit will provide credit and liquidity support. CalSTRS will partner with the Bank of New York. CalSTRS will credit enhance approximately \$23.8 million or 25% of the bonds. The obligations of the banks under the letter of credit are several and not joint, and neither bank shall be responsible for the obligation of the other. The letter of credit commenced in June and will be for a four-year term.

The bond proceeds will be used by the District to fund acquisition of two school sites, preliminary design work of an elementary school to be located on one of the sites, and capitalized interest. The school sites are in the Quail Hill and Turtle Ridge developments of the City of Irvine.

The bonds and the letter of credit will be secured by a pledge of a special property tax levied on properties located within the Community Facilities District. The Community Facilities District consists of approximately 2,500 gross acres of land.

CalSTRS CREDIT ENHANCEMENT PROGRAM  
PROGRAM SUMMARY AS OF MAY 31, 2003

Transaction	LOC #	Type	Closing Date	End of Commitment	Principal Commitment	Interest Commitment	Total Commitment	Fiscal 2002-03 Fee Income	Fee Income To Date
<b>DIRECT RISK</b>									
Port of Long Beach	--	Liquidity	Jul-01	Jul-06	\$87,500,000	\$0	\$87,500,000	\$157,500	\$826,427
LA Fairplex	34	Credit	Sep-00	Sep-07	\$18,950,000	\$255,436	\$19,205,436	\$197,319	\$874,995
Pasadena Parking Authority	41	Credit	Jul-01	Jul-04	\$7,450,000	\$574,271	\$8,024,271	\$28,178	\$56,416
Pasadena Rosebowl	42	Credit	Jul-01	Jul-04	\$12,450,000	\$221,030	\$12,671,030	\$45,112	\$90,325
Kern High School 1995A	43	Credit	Aug-01	Aug-04	\$5,550,000	\$109,479	\$5,659,479	\$34,819	\$55,530
Kern High School 1995B	44	Credit	Aug-01	Aug-04	\$4,225,000	\$83,342	\$4,308,342	\$26,522	\$42,316
CHFA HMRB 1999 Series P & Q	28a	Liquidity	Dec-99	Apr-04	\$6,087,500	\$377,425	\$6,464,925	\$10,948	\$62,067
CHFA MFH 2000 A & B	36	Liquidity	Nov-00	Jul-05	\$24,418,750	\$1,513,963	\$25,932,713	\$58,484	\$139,576
CHFA MFH 2000 C & D	37	Liquidity	Nov-00	Nov-05	\$20,405,000	\$1,265,110	\$21,670,110	\$48,551	\$115,681
Kern High School 2001	45	Credit	Aug-01	Aug-04	\$12,853,000	\$301,688	\$13,154,688	\$59,853	\$103,422
Lewis & Clark 2000 Series A	50	Credit	Jun-02	Jun-05	\$25,000,000	\$2,284,932	\$27,284,932	\$143,776	\$143,776
Lewis & Clark 2002 Series A	51	Credit	Jun-02	Jun-05	\$10,000,000	\$157,808	\$10,157,808	\$48,983	\$48,983
Public Policy Institute 2001A	48a	Liquidity	Jun-02	Jun-07	\$6,522,500	\$72,909	\$6,595,409	\$40,388	\$43,471
Public Policy Institute 2001B	48b	Liquidity	Jun-02	Jun-07	\$10,202,500	\$114,044	\$10,316,544	\$62,790	\$67,612
DWR Power Bonds 2002B-1	52	Credit	Oct-02	Oct-05	\$75,000,000	\$904,110	\$75,904,110	\$362,665	\$362,665
DWR Power Bonds 2002C-4	53	Credit	Oct-02	Oct-05	\$100,000,000	\$1,205,479	\$101,205,479	\$483,303	\$483,303
GO Bonds, Series 2003B	54	Credit	Apr-03	Apr-06	\$50,000,000	\$512,329	\$50,512,329	\$25,256	\$25,256
University of San Francisco	56	Credit	May-03	May-07	\$17,342,654	\$262,278	\$17,604,932	\$10,807	\$10,807
<b>DIRECT RISK SUBTOTAL</b>					<b>\$493,956,904</b>	<b>\$10,215,633</b>	<b>\$504,172,537</b>	<b>\$1,845,254</b>	<b>\$3,552,628</b>
<b>DIRECT RISK - SECURED</b>									
Buck Research on Aging	46	Credit	Dec-01	Dec-06	\$27,800,000	\$402,148	\$28,202,148	\$200,157	\$273,639
<b>BOND INSURED</b>									
Adventist West	--	Liquidity	Feb-98	Feb-05	\$114,500,000	\$1,693,973	\$116,193,973	\$127,972	\$832,143
Fremont-Rideout Health Group	--	Liquidity	May-02	Jul-07	\$25,000,000	\$558,904	\$25,558,904	\$76,677	\$76,677
CHFA 1998 Series P	27a	Liquidity	Apr-99	Dec-04	\$9,125,000	\$707,188	\$9,832,188	\$15,950	\$58,369
CHFA 1998 Series T	27b	Liquidity	Apr-99	Dec-04	\$4,793,750	\$371,516	\$5,165,266	\$8,379	\$29,552
CHFA 1998 Series M	27c	Liquidity	Apr-99	Dec-04	\$11,937,500	\$925,156	\$12,862,656	\$23,752	\$106,705
CHFA 1999 Series O	28b	Liquidity	Apr-99	Apr-04	\$14,826,250	\$1,149,034	\$15,975,284	\$22,256	\$104,107
CHFA 2000 Series D	29b	Liquidity	Jan-00	Apr-04	\$16,438,750	\$1,274,003	\$17,712,753	\$31,246	\$109,809
CHFA 2000 Series G	29c	Liquidity	Apr-00	Apr-04	\$17,087,500	\$1,059,425	\$18,146,925	\$29,717	\$89,489
CHFA 2000 Series H	29d	Liquidity	Apr-00	Apr-04	\$23,345,000	\$1,809,238	\$25,154,238	\$44,411	\$145,323
CHFA 2000 Series U	35	Liquidity	Oct-00	Oct-03	\$9,600,000	\$733,808	\$10,333,808	\$17,911	\$44,969
CHFA 2000 Series X-1 & X-2	38	Liquidity	Dec-00	Dec-03	\$13,612,500	\$1,040,517	\$14,653,017	\$25,632	\$60,017
CHFA 2001 Series C	39a	Liquidity	Jan-01	Jan-06	\$2,926,250	\$221,273	\$3,147,523	\$3,648	\$9,472
CHFA 2001 Series F	39b	Liquidity	Apr-01	Apr-04	\$6,250,000	\$636,986	\$6,886,986	\$8,668	\$16,270
The RAND Corporation	49	Liquidity	Jul-02	Jul-05	\$47,500,000	\$1,089,863	\$48,032,981	\$121,417	\$121,417
City of Pasadena	--	Liquidity	Jan-03	Jan-08	\$36,895,000	\$424,545	\$37,319,545	\$0	\$0
<b>BOND INSURED SUBTOTAL</b>					<b>\$353,837,500</b>	<b>\$13,695,429</b>	<b>\$366,976,047</b>	<b>\$557,636</b>	<b>\$1,804,319</b>

CalSTRS CREDIT ENHANCEMENT PROGRAM  
PROGRAM SUMMARY AS OF MAY 31, 2003

Transaction	LOC #	Type	Closing Date	End of Commitment	Principal Commitment	Interest Commitment	Total Commitment	Fiscal 2002-03 Fee Income	Fee Income To Date
<b>DIRECT PAY LETTERS OF CREDIT</b>									
Altamont/Packaging 1994A	25	Credit	Aug-99	Aug-05	\$2,290,000	\$51,196	\$2,341,196	\$5,238	\$24,028
DV Industries/La Barbera	25	Credit	Aug-99	Aug-05	\$1,020,000	\$22,803	\$1,042,803	\$3,099	\$15,886
Wilson Entities	24	Credit	Sep-99	Aug-05	\$2,205,000	\$49,295	\$2,254,295	\$5,539	\$25,407
Tulip Corporation	31	Credit	Jul-00	Jul-05	\$2,000,000	\$44,712	\$2,044,712	\$0	\$15,931
Santa Clara 1997A	33	Credit	Aug-00	Aug-07	\$4,235,000	\$71,009	\$4,306,009	\$8,331	\$26,836
Propak of California	1	Credit	Nov-94	Nov-05	\$1,740,000	\$38,900	\$1,778,900	\$3,557	\$78,472
J. Michelle/Edie Lee	1	Credit	Nov-94	Nov-05	\$1,220,000	\$27,275	\$1,247,275	\$3,916	\$74,786
Pasco Scientific	1	Credit	Nov-94	Nov-05	\$1,705,000	\$38,117	\$1,743,117	\$5,642	\$81,702
American River Packaging	1	Credit	Nov-94	Nov-05	\$1,610,000	\$35,993	\$1,645,993	\$5,053	\$58,771
Intermountain Trading	2	Credit	Feb-95	Jan-05	\$160,000	\$3,577	\$163,577	\$1,184	\$15,413
Andercraft Products	2	Credit	Feb-95	Jan-05	\$475,000	\$10,619	\$485,619	\$3,159	\$45,617
Busseto Foods, Inc. (Rapelli)	2	Credit	Feb-95	Jan-05	\$2,500,000	\$55,890	\$2,555,890	\$7,398	\$76,191
American Zettler	4	Credit	Mar-95	Mar-05	\$1,750,000	\$39,123	\$1,789,123	\$5,717	\$58,867
Contech Engineering Prod.	4	Credit	Mar-95	Mar-05	\$570,000	\$12,743	\$582,743	\$2,511	\$37,037
Evapco, Inc.	4	Credit	Mar-95	Mar-05	\$270,000	\$6,036	\$276,036	\$1,287	\$16,043
Florestone Products Co.	4	Credit	Mar-95	Mar-05	\$805,000	\$17,997	\$822,997	\$3,056	\$42,249
Grundfos Pumps Company	4	Credit	Mar-95	Mar-05	\$6,000,000	\$134,137	\$6,134,137	\$16,705	\$161,224
NRI, Inc.	4	Credit	Mar-95	Mar-05	\$1,015,000	\$22,692	\$1,037,692	\$3,573	\$54,847
W & H Voortman, Inc.	4	Credit	Mar-95	Mar-05	\$2,160,000	\$48,289	\$2,208,289	\$5,647	\$59,440
Allwire, Inc.	6	Credit	Mar-95	Mar-05	\$180,000	\$4,024	\$184,024	\$1,599	\$18,276
Fairway Real Estate	6	Credit	Mar-95	Mar-05	\$360,000	\$8,048	\$368,048	\$2,931	\$39,479
S & P Investments	6	Credit	Mar-95	Mar-05	\$780,000	\$17,438	\$797,438	\$3,382	\$40,469
Northwest Pipe & Casing	7	Credit	Apr-95	Apr-05	\$1,750,000	\$39,123	\$1,789,123	\$7,138	\$92,691
Zieman Manufacturing	7	Credit	Apr-95	Apr-05	\$245,000	\$5,477	\$250,477	\$2,289	\$23,292
Kennerly-Spratling	8	Credit	Jun-95	Jun-05	\$1,700,000	\$38,005	\$1,738,005	\$5,854	\$84,524
Walker Spring and Stamping	9	Credit	Sep-95	Sep-05	\$2,720,000	\$60,809	\$2,780,809	\$8,335	\$95,064
South Bay Circuits, Inc.	9	Credit	Sep-95	Sep-05	\$1,200,000	\$26,827	\$1,226,827	\$4,210	\$52,753
Red Line Oil Co.	10	Credit	Nov-95	Nov-05	\$890,000	\$19,897	\$909,897	\$3,589	\$35,527
Peet's Coffee	10	Credit	Nov-95	Nov-05	\$860,000	\$19,226	\$879,226	\$4,466	\$71,538
Safariland	13	Credit	Oct-96	Oct-05	\$2,800,000	\$57,995	\$2,857,995	\$7,224	\$55,805
Control Air Conditioning	18	Credit	May-97	May-05	\$4,200,000	\$75,945	\$4,275,945	\$9,247	\$116,291
Cordeiro Vault Co., Inc.	15	Credit	Dec-96	Dec-05	\$390,000	\$8,719	\$398,719	\$2,389	\$32,946
Fibrebond West, Inc.	17	Credit	Dec-96	Dec-05	\$3,255,000	\$72,769	\$3,327,769	\$11,297	\$144,508
<b>DIRECT PAY LETTERS OF CREDIT SUBTOTAL</b>					<b>\$55,060,000</b>	<b>\$1,184,705</b>	<b>\$56,244,705</b>	<b>\$164,562</b>	<b>\$1,871,910</b>

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<b>CONFIRMING LETTERS OF CREDIT &amp; OTHER INDIRECT RISK</b>									
Monrovia RDA	CLOC 3	Credit	Jan-98	Jan-05	\$8,100,000	\$232,570	\$8,332,570	\$13,175	\$102,101
St. Vincent de Paul	CLOC 7	Credit	May-99	May-06	\$7,485,000	\$110,737	\$7,595,737	\$6,720	\$96,540
Delta Tau Data Systems	CLOC 8	Credit	Aug-98	Aug-05	\$5,380,000	\$79,595	\$5,459,595	\$22,474	\$116,827
Dix Metals	CLOC 9	Credit	Sep-98	Sep-05	\$4,815,000	\$71,236	\$4,886,236	\$20,696	\$95,268
City of Fillmore	CLOC 10	Credit	Sep-98	Sep-05	\$10,120,000	\$192,973	\$10,312,973	\$15,699	\$92,759
The Terraces/Park Marino	CLOC 13	Credit	Oct-98	Oct-05	\$7,775,000	\$127,808	\$7,902,808	\$24,147	\$148,133
Santa Paula (Water Supply)	CLOC 14	Credit	Nov-98	Nov-05	\$21,900,000	\$417,600	\$22,317,600	\$46,810	\$205,091
Mission Viejo	CLOC 15	Credit	May-99	May-06	\$31,100,000	\$2,177,852	\$33,277,852	\$87,350	\$363,972
City of Ontario	CLOC 17	Credit	Apr-99	Apr-06	\$7,930,000	\$145,999	\$8,075,999	\$16,152	\$74,694
City of Ontario	CLOC 18	Credit	Apr-99	Apr-06	\$6,315,000	\$114,189	\$6,429,189	\$12,858	\$59,476
Watt Four	CLOC 19	Credit	May-99	May-06	\$2,240,000	\$37,558	\$2,277,558	\$4,656	\$43,023
Evergreen	CLOC 20	Credit	Jun-99	Jun-05	\$2,303,750	\$34,083	\$2,337,833	\$4,465	\$27,322
Fontana Redevelopment	CLOC 21	Credit	Jun-99	Jun-05	\$3,114,361	\$0	\$3,114,361	\$0	\$25,001
New United Motor (NUMMI)	CLOC 22	Credit	Jun-99	May-04	\$11,015,000	\$130,369	\$11,145,369	\$39,551	\$139,348
Inland	CLOC 23	Credit	Jun-99	Jun-05	\$44,485,000	\$2,925,041	\$47,410,041	\$47,674	\$384,021
Alameda Point	CLOC 26	Credit	Sep-99	Sep-05	\$10,000,000	\$391,233	\$10,391,233	\$15,818	\$74,240
Apple Valley	CLOC 27	Credit	Sep-99	Sep-05	\$5,325,000	\$208,332	\$5,533,332	\$11,220	\$45,314
Primero Grove	CLOC 28	Credit	Dec-99	Dec-05	\$10,935,000	\$104,856	\$11,039,856	\$31,395	\$147,450
Starter/Alternator	CLOC 29	Credit	Sep-99	Sep-05	\$5,000,000	\$73,973	\$5,073,973	\$7,696	\$36,307
Adelanto PUA, Series A	CLOC 30	Credit	Feb-00	Feb-05	\$9,385,000	\$166,616	\$9,551,616	\$29,061	\$63,214
Adelanto PUA, Series B, C	CLOC 30	Credit	Feb-00	Feb-05	\$34,940,000	\$620,305	\$35,560,305	\$108,064	\$234,303
SF Conservatory of Music	CLOC 31	Credit	Mar-00	Mar-06	\$9,230,000	\$157,795	\$9,387,795	\$0	\$92,810
City of Compton	CLOC 33	Credit	Jun-00	Jun-05	\$5,485,000	\$104,591	\$5,589,591	\$24,458	\$36,686
Marborg Industries	CLOC 34	Credit	Jun-00	Jun-04	\$5,135,000	\$77,658	\$5,212,658	\$16,217	\$31,474
AAA Packing & Shipping Inc.	CLOC 35	Credit	Jun-00	Jun-05	\$3,000,000	\$44,384	\$3,044,384	\$4,634	\$17,502
City of Lake Elsinore	CLOC 36	Credit	Jul-00	Jul-05	\$15,660,000	\$288,316	\$15,948,316	\$0	\$80,948
City of Duarte	CLOC 37	Credit	Apr-01	Apr-05	\$6,000,000	\$110,466	\$6,110,466	\$0	\$12,221
City of Vallejo	CLOC 38	Credit	May-01	May-06	\$16,350,000	\$311,770	\$16,661,770	\$0	\$33,324
Megatoys	CLOC 40	Credit	Jun-01	Jun-06	\$3,000,000	\$54,247	\$3,054,247	\$7,636	\$19,853
Oakland-Alameda Arena	STRS 40	Credit	Jul-01	Jul-04	\$41,210,106	\$2,287,161	\$43,497,267	\$80,700	\$147,851
Beaumont Wastewater	CLOC 41	Credit	Aug-01	Aug-05	\$9,790,000	\$177,025	\$9,967,025	\$20,565	\$40,145
Advance Business Graphics	CLOC 42	Credit	Aug-01	Aug-05	\$6,050,000	\$89,507	\$6,139,507	\$0	\$30,877
Santa Clara 2001A	CLOC 43	Credit	Oct-01	Oct-05	\$7,560,000	\$111,847	\$7,671,847	\$0	\$26,694
The Ratto Group	CLOC 44	Credit	Nov-01	Nov-05	\$9,845,000	\$145,652	\$9,990,652	\$0	\$34,749
City of Montebello	CLOC 45	Credit	Dec-01	Dec-05	\$8,750,000	\$163,973	\$8,913,973	\$0	\$17,828
Plastikon Industries	CLOC 46	Credit	Jan-02	Jan-06	\$6,500,000	\$230,795	\$6,730,795	\$23,558	\$23,558
City of Sanger	CLOC 47	Credit	Mar-02	Mar-06	\$16,590,000	\$327,255	\$16,917,255	\$0	\$34,304
Las Palomas	CLOC 48	Credit	Apr-02	Apr-06	\$5,100,000	\$78,200	\$5,178,200	\$12,946	\$25,891
Madera Muni Golf Course	CLOC 49	Credit	May-02	May-06	\$5,140,000	\$167,578	\$5,307,578	\$0	\$10,763
Moreno Valley	CLOC 50	Credit	Feb-03	Feb-06	\$8,585,000	\$163,703	\$8,748,703	\$0	\$22,176
California Waste Solutions	CLOC 51	Credit	May-02	May-06	\$11,275,000	\$166,808	\$11,441,808	\$0	\$46,165
7/11 Materials, Inc.	CLOC 52	Credit	Jun-02	Jun-05	\$5,000,000	\$75,000	\$5,075,000	\$0	\$20,477
West Covina	CLOC 53	Credit	Jun-02	Jun-05	\$22,395,000	\$441,764	\$22,836,764	\$0	\$57,885
City of Palm Springs	CLOC 55	Credit	Aug-02	Jul-05	\$8,000,000	\$152,548	\$8,152,548	\$20,664	\$20,664
Trademark Plastics, Inc.	CLOC 56	Credit	Sep-02	Sep-05	\$4,275,000	\$63,247	\$4,338,247	\$17,504	\$17,504
Marborg Industries 2002	CLOC 58	Credit	Oct-02	Oct-05	\$5,215,000	\$78,868	\$5,293,868	\$21,359	\$21,359
Trinity Series 2002A	CLOC 54	Credit	Nov-02	Nov-05	\$9,730,000	\$134,354	\$9,864,354	\$39,800	\$39,800
Trinity Series 2002B	CLOC 54	Credit	Nov-02	Nov-05	\$270,000	\$3,780	\$273,780	\$1,105	\$1,105
Orange Avenue Disposal	CLOC 59	Credit	Dec-02	Dec-05	\$6,250,000	\$92,466	\$6,342,466	\$32,822	\$32,822
City of Vallejo 2002	CLOC 60	Credit	Dec-02	Dec-05	\$12,415,000	\$236,735	\$12,651,735	\$32,069	\$32,069
City of El Monte	CLOC 61	Credit	Jan-03	Jan-06	\$10,625,000	\$209,590	\$10,834,590	\$27,463	\$27,463
City of Diamond Bar	CLOC 62	Credit	Dec-02	Dec-05	\$13,755,000	\$271,332	\$14,026,332	\$35,553	\$35,553
Oakland-Alameda Coliseum	STRS 55	Credit	May-03	May-07	\$42,721,843	\$786,551	\$43,508,394	\$10,877	\$10,877
<b>CONFIRMING LETTERS OF CREDIT &amp; OTHER INDIRECT RISK SUBTOTAL</b>					<b>\$590,570,060</b>	<b>\$16,167,891</b>	<b>\$606,737,951</b>	<b>\$995,611</b>	<b>\$3,677,801</b>

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<b>REDEEMED TRANSACTIONS</b>									
<b>REDEEMED SUBTOTAL</b>					<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$293,996</b>	<b>\$4,906,439</b>
<b>GRAND TOTAL</b>					<b>\$1,521,224,464</b>	<b>\$41,665,806</b>	<b>\$1,562,333,388</b>	<b>\$4,057,216</b>	<b>\$16,086,736</b>